



## General Assembly

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**Human resources management**

### **Human resources management reform**

#### **Report of the Secretary-General**

#### **Addendum**

#### **Contractual arrangements**

##### *Summary*

As indicated in paragraph 144 of the report of the Secretary-General on human resources reform (A/59/263), the definitive proposals of the Secretary-General on new contractual arrangements are contained in the present addendum.

The detailed proposals are set out in the present addendum, together with the transitional measures that would be required. The differences between the existing and proposed types of appointment are explained in the text itself, and a tabular comparison is provided in annex I. The proposed amendments to the Staff Regulations and to the 100 series of the Staff Rules that would be necessary to implement the proposal are contained in annex II.

The General Assembly is invited to approve the proposals and the proposed amendments to the Staff Regulations and to take note of the proposed amendments to the 100 series of the Staff Rules.

\* A/59/150.



## **I. Goal of the proposed reform of contractual arrangements**

1. The goal of the proposed reform of contractual arrangements is to ensure that these arrangements serve better the operational needs of the Organization by ensuring the maintenance and further development of a strong and independent international civil service of the highest quality while recognizing different types of situations (stable, continuing work programmes and projects; sudden major surges in the volume and type of work, especially in peace-building, peacekeeping and humanitarian operations; seasonal fluctuations; and short-term requirements) and introducing greater equity for staff.

## **II. Background**

2. The initial proposal to reform contractual arrangements was presented in the report of the Secretary-General on human resources management reform submitted to the General Assembly at its fifty-fifth session (see A/55/253, para. 47). In paragraph 50 of the same report, the Secretary-General indicated that he wished to review further the issues linked to the terms and types of appointment and to continue the dialogue with the staff before presenting specific recommendations to the General Assembly, and that he welcomed the views of the Assembly, in particular with regard to the issue of permanent appointments.

3. No consensus emerged among Member States when the matter was discussed at the fifty-fifth session of the General Assembly. In section III of its resolution 55/258, the General Assembly requested the Secretary-General to submit definitive proposals, in accordance with the steps outlined in paragraph 50 of his report, on new contractual arrangements, spelling out the differences between existing and proposed types of appointments, for consideration by the General Assembly. The request was reiterated in section II, paragraph 58, of General Assembly resolution 57/305, in which the Assembly further requested the Secretary-General, in the meantime, to continue current contractual arrangements in accordance with existing mandates.<sup>1</sup>

4. Considerable progress was made at SMCC-XXVI in 2002 on the subject of continuing appointments. Agreements were reached on the following:

(a) Continuing appointments would be introduced in the Staff Regulations and Rules, and appropriate amendments would be presented to the General Assembly to that effect;

(b) Subject to the needs of service and satisfactory performance, staff who had completed five years of continuous service on a fixed-term appointment would be converted to a continuing appointment;

<sup>1</sup> These include the request to achieve the level of 70 per cent of permanent appointments in posts subject to geographical distribution (General Assembly resolutions 51/226, sect. V, para. 2, and 53/221, sect. V, para. 23); the decision that five years of continuing service on fixed-term appointments do not confer the automatic right to a permanent appointment, and that other considerations, such as outstanding performance, the operational realities of the organizations and the core functions of the post, should be duly taken into account (General Assembly resolution 51/226, sect. V, para. 3); and the encouragement to continue efforts to increase the share of fixed-term appointments throughout the Secretariat (General Assembly resolution 53/221, sect. V, para. 23).

(c) In addition to the current grounds for termination of a permanent appointment set out in the Staff Regulations, continuing appointments could be terminated in the interest of the Organization;

(d) In cases of termination under article IX of the Staff Regulations, a staff member on a continuing appointment would be entitled to a three-month notice period and to a termination indemnity similar to that payable to staff on permanent appointments;

(e) Prior to termination based on abolition of post, reduction of staff or a change in the functions or mandates of the office, the Administration would have to document all efforts made to identify a suitable vacancy for the staff member and to provide training so as to facilitate his or her reassignment. Continuing contracts would be added to staff rule 109.1 (c), which has long regulated the elements to be taken into account when identifying staff who have to be separated as a result of abolition of post or reduction of staff;

(f) Staff holding permanent appointments would not be affected by the introduction of continuing appointments;

(g) A one-time review would be conducted of all fixed-term staff appointed under the 100 series of the Staff Rules who would have been eligible to be considered for conversion to permanent appointment if not for the freeze imposed on such conversion. Management agreed to review all such staff, analyse the results and submit proposals to the next SMCC for consideration;

(h) After approval of the new contractual arrangements by the General Assembly, checks and balances would be developed through staff-management negotiations with regard to the review of documentation in cases of termination of continuing appointments.

5. The New York Staff Union joined in the consensus reached between Management and the staff unions from all the other duty stations, but placed on the record that, in its view, it was imperative to retain the permanent appointment in some form for all staff, while realizing that continuing contracts offered greater financial protection for staff currently on fixed-term appointments. The New York Staff Union also stated that, in its view, all serving staff, regardless of category, who met the criteria for permanent appointment at the time they were hired should be converted to permanent appointment, taking into account relevant General Assembly resolutions, and that the conversion exercise should apply to all 100 series staff — General Service and Professionals.

### III. Revised proposal

6. The Secretary-General maintains his basic proposal to simplify existing contractual arrangements through the use of only three types of appointments that would be used for all Secretariat functions, departments, duty stations and field missions:

(a) A short-term appointment, up to a maximum of six months, for staff appointed to meet seasonal or peak workloads and specific short-term requirements;

(b) A fixed-term appointment, which could be renewed or extended to cover a maximum period of five years. During that time, staff members' performance and competencies would be thoroughly assessed;

(c) A continuing appointment which, subject to the needs of service, would be granted to staff members who have served on fixed-term for five years, provided they have demonstrated during that service adherence to the highest standards of efficiency, competence and integrity required by the Charter of the United Nations.

7. The table contained in annex I highlights the differences between the proposed continuing appointment and its current alternatives, namely fixed-term and permanent appointments. Of special importance is that the continuing appointment could be terminated not only for the reasons available for the termination of permanent appointments but also in the interest of the Organization, and that, given that continuing appointments would be granted to staff having previously served for five years on fixed-term appointments, staff on continuing appointments would have preference over staff on fixed-term appointments not because of a privileged status similar to that given to permanent staff but because of superior performance or longer period of service in cases of equally good performance.

8. Annex II contains proposed amendments to the Staff Regulations and to the 100 series of the Staff Rules that would be necessary to implement the proposal. Should the General Assembly endorse the introduction of the continuing appointment, amendments to the 200 and 300 series of the Staff Rules would be prepared subsequently and reported to the General Assembly, as required by article XII of the Staff Regulations.

9. The Secretary-General believes that his proposal would be in the interest of the Organization, which requires a mix of career staff and of staff appointed for shorter periods to meet evolving needs, major surges in the volume and type of work and seasonal fluctuations.

10. The use of only three types of contracts would be easier to understand by all concerned and would improve the equity and transparency of the system. Conversion to continuing appointment of staff having demonstrated during the first five years of their service that they meet the highest standards of efficiency, competence and integrity required by the Charter would eliminate the considerable administrative burden of having to process thousands of renewals of fixed-term appointments when they reach expiration date. Human resources professionals could devote their time and efforts to other important matters, such as the management of mobility, career and staff development, resolution of conflicts in the work place and monitoring the exercise of delegated authority in human resources matters.

11. The replacement of permanent appointments by continuing appointments would allow greater weight to be given to the needs of the Organization when an appointment is terminated. The current rules on the termination of permanent appointments do not recognize a number of legitimate considerations, such as the changing needs, functions and mandates of the United Nations or the reorientation of its programmes, unless they result in the abolition of posts or reduction of staff rather than the redeployment of resources. The continuing appointment could be terminated in the interest of the Organization, which is not a relevant consideration for terminating a permanent appointment unless this is done with the agreement of the staff member. Moreover, the determination whether to separate a staff member

would focus on performance and length of service among equal performers rather than on the contractual status of the staff concerned. The decision to terminate a continuing appointment would of course be subject to a process that would ensure that the decision is justified and fully documented.

12. Finally, the general use of the continuing appointment would greatly assist the Secretary-General in his determination to enhance staff mobility, which is a major goal of his reform of human resources management. Mobility must increase within and across departments, functions and duty stations, as well as to and from missions, regardless of the source of funding. Even though, in theory, staff members appointed under the 100 series of the Staff Rules have the right to be considered for conversion to permanent appointment after five years of continuous good service, regardless of the type of funding, the fact is that, before the 1995 freeze, conversion of fixed-term to permanent appointment was made mostly in respect of staff members who happened to be placed on a regular budget post at the time of the consideration. By contrast, conversion to continuing appointment, while subject to performance and continued need for the service of the staff member, would not be controlled by the source of funding for the staff member's post at the time of conversion. This would remove a serious obstacle to the mobility of staff who would otherwise legitimately resist assuming new functions of uncertain duration or funding, e.g., peacekeeping missions or positions financed through voluntary contributions.

13. Conversion to continuing appointment after five years of service on fixed-term appointments with the Organization, subject to performance and the continued needs of the service, would also be in the interest of the staff at large as it would ensure equal treatment. Staff members who have devoted years of their lives to the service of the Organization and have proved the value of their work, often in a succession of difficult or dangerous situations, should no longer have to worry whether they will remain employed after their current contract expires. The continuing appointment would also permit compensation to be paid to staff members who are separated because of abolition of post, reduction of staff or because their separation is in the interest of the Organization due to change in the functions, mandates or needs of the United Nations.

14. Replacement of the permanent appointment by the proposed continuing appointment would also remove the perception that there is in the Organization a privileged group of staff who are not only free of the anxiety linked to renewal or non-renewal of appointment but also receive preferential treatment by the sole virtue of their permanent status when a choice has to be made among staff members who must be separated in cases of abolition of post or reduction of staff. Under continuing appointments, the comparison would focus on relative merits and length of service rather than on the type of appointment.

#### **IV. Transitional measures**

15. The introduction of the reform of contractual mechanisms proposed by the Secretary-General would require transitional measures to ensure the protection of the acquired rights of staff who are in service at the time the amended regulations and rules come into force:

(a) There would be no change to the contractual status of staff who have a permanent appointment;

(b) Staff already serving on a probationary appointment would retain the right to be considered for a permanent appointment at the end of their period of probationary service. No new probationary appointment would be given after the effective date of the amended regulations and rules;

(c) Under existing staff rule 104.12 (b) (iii), staff members appointed under the 100 series of the Staff Rules have the right to be considered for a permanent appointment when they meet the following conditions: (i) they have completed five years of continuous service on fixed-term appointments, (ii) they meet the highest standards of efficiency, competence and integrity, and (iii) they are under the age of 53. The rule specifies that "all the interests of the Organization" must be taken into account. Section V, paragraph 3, of resolution 51/226 clarified that five years of continuing service do not confer the automatic right to a permanent appointment and that other considerations, such as outstanding performance, the operational realities of the organizations and the core functions of the post, should be duly taken into account. As agreed at SMCC-XXVI in 2002 (see para. 4 (g) above), the Secretary-General would ensure that a one-time review of all the staff members appointed under the 100 series of the Staff Rules who meet these conditions when the amended regulations and rules come into force are considered for conversion to permanent. As also agreed at SMCC-XXVI, specific proposals for an orderly consideration process will be submitted to the next SMCC meeting.<sup>2</sup>

16. The Secretary-General notes that, as a result of the one-time review mentioned above, the proportion of permanent staff in posts subject to geographical distribution may exceed the 70 per cent level set by the General Assembly in section V, paragraph 2, of its resolution 51/226. This, however, would be temporary since the level would decrease quickly as a result of the fact that no permanent appointments would be granted afterwards.

## V. Conclusions and recommendations

17. The Secretary-General believes that his proposal to reform contractual arrangements would better serve the needs of the Organization than the current arrangements for the reasons explained above.

18. The General Assembly is invited to approve the proposal and the proposed amendments to the Staff Regulations contained in annex II to the present document, and to take note of the proposed amendments to the 100 series of the Staff Rules also contained in annex II.

<sup>2</sup> As it was not possible for SMCC to meet in a timely manner, such proposals will be elaborated in the light of the consideration of the matter by the General Assembly and will be the object of consultation with staff.

## Annex I

## Comparison between existing and proposed types of appointments

| <i>Existing types of appointment</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <i>Proposed types of appointment</i>                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SHORT-TERM APPOINTMENT (300 series)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>SHORT-TERM APPOINTMENT</b>                                                                                                                                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"> <li>Used for seasonal or peak workload and specific short-term requirements.</li> <li>Maximum duration: 6 months.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>No change.</li> </ul>                                                                                                                                                                                                                                                                                                    |
| <b>FIXED-TERM APPOINTMENT (100 series)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>FIXED-TERM APPOINTMENT</b>                                                                                                                                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"> <li>Granted for a fixed period, after which appointment expires automatically. Action is required for each renewal. [Rule 109.7 (a)].</li> <li>After five years of continuous service, right to be considered for conversion to permanent appointment provided the staff member meets the highest standards of efficiency, competence and integrity and is under age 53. The actual decision takes into account "all the interests of the Organization". [Rules 104.12 (b) (iii)]. Based on section V, para. 3, of General Assembly resolution 51/226, these interests would include the operational realities and the core functions of the post, making it legitimate to take into account considerations such as the continuing or non-continuing nature of the functions, the need for the continued service of the staff member, the duration of the mandate, as well as financial considerations and a reasonable expectancy of continued funding.</li> <li>In the absence of conversion, a fixed-term appointment may be renewed. There is no limit on the total duration of service on fixed term.</li> <li><b>Note:</b> consideration for conversion to permanent appointment after 5 years on fixed-term was suspended by the Secretary-General in 1995. This was reinforced by General Assembly resolution 51/226, which imposed a ceiling of 70 per cent on the number of permanent staff in posts subject to geographical distribution; by General Assembly resolution 53/221, in which the Assembly encouraged the Secretary-General to continue efforts towards increasing the share of fixed-term appointments throughout the</li> </ul> | <ul style="list-style-type: none"> <li>Granted for a fixed period, after which appointment expires automatically. Action is required for each renewal.</li> <li>May be renewed up to a maximum duration of five years.</li> <li>After five years, subject to performance and continued needs of service, the appointment is converted to continuing.</li> </ul> |

*Existing types of appointment**Proposed types of appointment*

Secretariat; and by General Assembly resolution 57/305, in which the Assembly requested the continuation of current contractual arrangements in accordance with existing mandates pending consideration of the Secretary-General's definitive proposals on contractual arrangements.

**Termination of current fixed-term appointment**

- The appointment may be terminated before its term for abolition of post, reduction of staff, unsatisfactory service or incapacity for reasons of health, lack of integrity or facts anterior to the appointment which, if they had been known, would have precluded the appointment, or for such other reason as may be specified in the letter of appointment. [Staff regulation 9.1 (b)].
- If the appointment is to be terminated on ground of abolition of post or reduction of staff, the identification of staff to be separated is subject to the availability of suitable posts and consideration based on relative competence, integrity and length of service. Staff on permanent or probationary appointments would be retained in preference to staff on fixed-term appointments. [Rule 109.1 (c)].
- Notice of termination: 30 days. [Rule 109.3 (b)].
- Termination indemnity: as set out in annex III to the Staff Regulations, para. (a), column 4.

**PROBATIONARY APPOINTMENT (100 series)**

- Currently given only to staff members having passed a competitive recruitment examination for posts in the Professional category. [General Assembly resolution 51/226, sect. III B, para. 19].
- The probationary period is normally two years, which may exceptionally be waived, reduced or extended for not more than one year. [Rule 104.12 (a)].
- After completion of the probationary period, staff members have the right to be considered for permanent appointment, which will be granted if they have demonstrated their suitability as international civil servants and have shown that

**Termination of proposed fixed-term appointment**

- No change.
- No change, except that staff on continuing appointments would be added to the list of staff who would have preference over staff on fixed-term appointments.
- No change.
- No change.
- The probationary appointment would no longer be used. New recruits would receive a fixed-term appointment, as described above, and be considered for a continuing appointment after five years.
- Staff currently holding a probationary appointment would be considered for a permanent appointment at the end of their probationary period, under existing rules.

*Existing types of appointment*

they meet the high standards of efficiency, competence and integrity established in the Charter. [Rule 104.13].

*Proposed types of appointment***Termination of probationary appointment**

- The appointment may be terminated at any time if, in the Secretary-General's opinion, such action would be in the interest of the United Nations. [Staff regulation 9.1 (c)].
- If the appointment is to be terminated on the ground of abolition of post or reduction of staff, the identification of staff to be separated is subject to the availability of suitable posts and consideration based on relative competence, integrity and length of service. Staff on probationary appointments would be retained in preference to staff on fixed-term appointments. [Rule 109.1 (c)].
- Notice of termination: 30 days. [Rule 109.3 (b)].
- Termination indemnity: as set out in annex III to the Staff Regulations, para. (a), column 3.

**PERMANENT APPOINTMENT (100 series)**

- Granted after a probationary period, normally two years, subject to required standards of performance. [Rule 104.13 (a)].
- As indicated above, before the current freeze, staff having served for five years on a 100 series fixed-term appointment were also considered for conversion to permanent, which was granted provided the staff member met the highest standards of efficiency, competence and integrity and was under age 53, taking into account "all the interests of the Organization". Based on section V, para. 3, of General Assembly resolution 51/226, these interests would include the operational realities and the core functions of the post, making it legitimate to take into account considerations such as the continuing or non-continuing nature of the functions, the need for the continued service of the staff member, the duration of the mandate, as well as financial considerations and a reasonable expectancy of continued funding.

**CONTINUING APPOINTMENT**

- Granted after 5 years on fixed-term appointment, subject to required standards of performance and needs of service.

| <i>Existing types of appointment</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <i>Proposed types of appointment</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• No administrative action required after conversion to permanent appointment.</li> </ul> <p><b>Termination of permanent appointment</b></p> <ul style="list-style-type: none"> <li>• Abolition of posts or reduction of staff, unsatisfactory service, incapacity for reasons of health, lack of integrity or facts anterior to the appointment<sup>1</sup> which, if they had been known, would have precluded the appointment. [Staff regulation 9.1 (a)].</li> <li>• Termination is in the interest of the good administration of the Organization and in accordance with Charter standards, provided the action is not contested by the staff member. ["Agreed termination" under staff regulation 9.1 (a), last paragraph].</li> <li>• If the appointment is to be terminated on the ground of abolition of post or reduction of staff, the identification of staff to be separated is subject to the availability of suitable posts and consideration based on relative competence, integrity and length of service. Staff on permanent appointments would be retained in preference to those on all other types of appointments. [Rule 109.1 (c)].</li> <li>• Notice of termination: 3 months. [Rule 109.3 (a)].</li> <li>• Termination indemnity: as set out in annex III to the Staff Regulations, para. (a), column 2.</li> </ul> | <ul style="list-style-type: none"> <li>• No administrative action required after conversion to continuing appointment.</li> </ul> <p><b>Termination of continuing appointment</b></p> <ul style="list-style-type: none"> <li>• In addition to the grounds listed for termination of a permanent appointment under staff regulation 9.1(a), a continuing appointment could be terminated in the interest of the Organization.</li> <li>• Same rule, except that staff on permanent appointments would have preference over staff on continuing appointments, who themselves would have preference over staff on fixed-term appointments.</li> <li>• Notice of termination: 3 months.</li> <li>• Termination indemnity: as for permanent appointments.</li> </ul> |

## Annex II

### Proposed amendments to Staff Regulations and Staff Rules

#### *Staff Regulations*

##### Regulation 4.5

- (a) Appointment of Under-Secretaries-General and of Assistant Secretaries-General shall normally be for a period of **up to** five years, subject to prolongation or renewal. Other staff members shall be granted ~~either permanent or temporary~~ appointments of **either unlimited or temporary duration** under such terms and conditions consistent with the present Regulations as the Secretary-General may prescribe.
- (b) The Secretary-General shall prescribe which staff members are eligible **for each type of permanent** appointments. ~~The probationary period for granting or confirming a permanent appointment shall normally not exceed two years, provided that in individual cases the Secretary-General may extend the probationary period for not more than one additional year.~~

##### Regulation 9.1

- (a) The Secretary-General may terminate the appointment of a staff member who holds a permanent appointment and whose probationary period has been completed if the necessities of service require abolition of the post or reduction of the staff, if the services of the individual concerned prove unsatisfactory or if he or she is, for reasons of health, incapacitated for further service.

The Secretary-General may also, giving the reasons therefor, terminate the appointment of a staff member who holds a permanent appointment:

- (i) If the conduct of the staff member indicates that the staff member does not meet the highest standards of integrity required by Article 101, paragraph 3, of the Charter;
- (ii) If facts anterior to the appointment of the staff member and relevant to his or her suitability come to light that, if they had been known at the time of his or her appointment, should, under the standards established by the Charter, have precluded his or her appointment.

No termination under subparagraphs (i) and (ii) shall take place until the matter has been considered and reported on by a special advisory board appointed for that purpose by the Secretary-General.

Finally, the Secretary-General may terminate the appointment of a staff member who holds a permanent appointment if such action would be in the interest of the good administration of the Organization and in accordance with the standards of the Charter, provided that the action is not contested by the staff member concerned.

- (b) The Secretary-General may terminate the appointment of a staff member with a fixed-term appointment prior to the expiration date for any of the reasons specified in paragraph (a) above, or for such other reason as may be specified in the letter of appointment.

(c) In the case of all other staff members, including staff members serving **on a continuing or** a probationary ~~period for a permanent~~ appointment, the Secretary-General may, at any time, terminate the appointment if, in his or her opinion, such action would be in the interest of the United Nations **and in accordance with the Charter, or for any of the reasons specified in paragraph (a) above.**

**Annex III to the Staff Regulations**  
**TERMINATION INDEMNITY**

Staff members whose appointments are terminated shall be paid an indemnity in accordance with the following provisions:

(a) Except as provided in paragraphs (b), (c) and (e) below and in regulation 9.3 (b), the termination indemnity shall be paid in accordance with the following schedule:

Months of gross salary, less staff assessment, where  
applicable

| Completed<br>years of<br>service | Permanent<br>and continuing<br>appointments | Indefinite<br>appointments<br>and probationary<br>appointments (for the<br>duration of the<br>probationary period)<br>Temporary<br>appointments<br>which are<br>not for a<br>fixed term | Temporary<br>Appointments<br>for a fixed<br>term exceeding<br>six months |
|----------------------------------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Less than 1 .....                | Not applicable                              | Nil )                                                                                                                                                                                   | One week for each month                                                  |
| 1 .....                          | Not applicable                              | 1 )                                                                                                                                                                                     | of uncompleted service                                                   |
| 2 .....                          | 3                                           | 1 )                                                                                                                                                                                     | subject to a minimum of                                                  |
| 3 .....                          | 3                                           | 2 )                                                                                                                                                                                     | six weeks' and a                                                         |
| 4 .....                          | 4                                           | 3 )                                                                                                                                                                                     | maximum of three months'                                                 |
| 5 .....                          | 5                                           | 4 )                                                                                                                                                                                     | indemnity pay                                                            |
| 6 .....                          | 6                                           | 5                                                                                                                                                                                       | 3                                                                        |
| 7 .....                          | 7                                           | 6                                                                                                                                                                                       | 5                                                                        |
| 8 .....                          | 8                                           | 7                                                                                                                                                                                       | 7                                                                        |
| 9 .....                          | 9                                           | 9                                                                                                                                                                                       | 9                                                                        |
| 10 .....                         | 9.5                                         | 9.5                                                                                                                                                                                     | 9.5                                                                      |
| 11 .....                         | 10                                          | 10                                                                                                                                                                                      | 10                                                                       |
| 12 .....                         | 10.5                                        | 10.5                                                                                                                                                                                    | 10.5                                                                     |
| 13 .....                         | 11                                          | 11                                                                                                                                                                                      | 11                                                                       |
| 14 .....                         | 11.5                                        | 11.5                                                                                                                                                                                    | 11.5                                                                     |
| 15 or more .....                 | 12                                          | 12                                                                                                                                                                                      | 12                                                                       |

(b) A staff member whose appointment is terminated for reasons of health shall receive an indemnity equal to the indemnity provided under paragraph (a) of the present annex reduced by the amount of any disability benefit that the staff member may receive under the Regulations of the United Nations Joint Staff Pension Fund for the number of months to which the indemnity rate corresponds.

(c) A staff member whose appointment is terminated for unsatisfactory services or who for disciplinary reasons is dismissed for misconduct other than by summary dismissal may be paid, at the discretion of the Secretary-General an indemnity not exceeding one half of the indemnity provided under paragraph (a) of the present annex;

- (d) No indemnity payments shall be made to:
- (i) A staff member who resigns, except where termination notice has been given and the termination date agreed upon;
  - (ii) A staff member who has a **probationary or indefinite temporary** appointment ~~that is not for a fixed term and~~ that is terminated during the first year of service;
  - (iii) A staff member who has a temporary appointment for a fixed term that is completed on the expiration date specified in the letter of appointment;
  - (iv) A staff member who is summarily dismissed;
  - (v) A staff member who abandons his or her post;
  - (vi) A staff member who is retired under the Regulations of the United Nations Joint Staff Pension Fund.
- (e) Staff members specifically engaged for conference and other short-term service or for service with a mission, ~~as consultants~~ or as experts, and staff members who are locally recruited for service in established offices away from Headquarters may be paid termination indemnity if and as provided in their letters of appointment.

## Staff Rules

### Rule 104.12

#### Appointments of temporary duration ~~Temporary appointments~~

##### (a) Probationary appointment

(i) ~~(The probationary appointment may be granted to persons under the age of fifty years who are recruited for career service. The period of probationary service under a probationary appointment granted before [effective date of the amendment] such an appointment shall normally be two years. In exceptional circumstances, it may be reduced or extended for not more than one additional year.~~

At the end of the probationary service, the holder of a probationary appointment shall either be granted a permanent appointment or be separated from service.

The probationary appointment shall have no specific expiration date and shall be governed by the Staff Regulations and Staff Rules applicable to temporary appointments which are not for a fixed term.

(ii) ~~Without prejudice to the provisions of subparagraph (b)(ii) below, The Secretary-General may, in appropriate cases, reduce or waive the required period of probationary service following an equivalent period of continuous service on a fixed-term appointment.~~

**[Staff rule 104.12(a) will be deleted when there are no longer any staff members with that contractual status.]**

##### (b) Fixed-term appointment

(i) The fixed-term appointment, having an expiration date specified in the letter of appointment, may be granted for **an initial period of up to two years and may be renewed to cover a maximum period of five years. a period not exceeding five years to persons recruited for service of a prescribed duration, including** Persons temporarily seconded by national Governments or institutions for service with the United Nations **shall be given a fixed-term appointment.**

(ii) The fixed-term appointment does not carry any expectancy of renewal ~~or of conversion to any other type of appointment.~~

(iii) After completing a period of five years of continuous service on fixed-term appointments, a staff member who has shown that he or she meets the high standards of efficiency, competence and integrity established by the Charter shall be considered for continuing appointment, which shall be granted subject to the needs of the Organization for the continuation of the staff member's service.

Notwithstanding subparagraph (ii) above, upon completion of five years of continuous service on fixed-term appointments, a staff member who has fully met the criteria of staff regulation 4.2 and who is under the age of 53 years will be given every reasonable consideration for a permanent appointment taking into account all the interests of the Organization.

(iv) Executive heads of separately administered programmes, funds and subsidiary organs of the United Nations to whom the Secretary-General has delegated appointment and promotion

authority may adjust the minimum and maximum duration of the period that may be served on fixed-term appointment based on the specific needs of the programme, fund or organ concerned.

#### Rule 104.13

##### Appointments of unlimited duration ~~Permanent appointments~~

#### (a) Permanent appointments

(i) The permanent appointment may be granted, in accordance with the needs of the Organization, to staff members who, by their qualifications, performance and conduct, have fully demonstrated their suitability as international civil servants and have shown that they meet the high standards of efficiency, competence and integrity established by the Charter, provided that:

- a. They have completed the period of probationary service required by rule 104.12 (a)(i);
- b. The period of probationary service has been waived in accordance with rule 104.12(a)(ii), or
- c. They have completed five years of continuous service under fixed-term appointments **as of [effective date of the amendment], they are under the age of fifty-three, and conversion of their appointment to permanent is consistent with all the interests of the Organization, taking into account its operational realities, including financial considerations, and the continuing nature of the functions.**

(ii) Recommendations ~~to proposing the grant a~~ of permanent appointments on the ground that a staff member whose probationary period has been either completed or waived under the terms of rule 104.12(a) ~~(b)(iii)~~ has met the requirements of this rule may be made **directly** to the Secretary-General by agreement between the Office of Human Resources Management **or the local Human Resources office** and the department or office concerned. ~~on the joint recommendation of the department or office concerned and the Office of Human Resources Management or the local personnel office and the department or office concerned. Such recommendations shall be reported to the appropriate central review body before submission to the Secretary-General. In the absence of such an agreement, the matter is submitted to a central review body for review under rule 104.14 (i).~~

(iii) Permanent appointments limited to service with one of the programmes, funds or subsidiary organs referred to in rule 104.14 (b) ~~(a)(i)~~ may be granted by its corresponding heads with the assistance of such boards as may be established in accordance with the provisions of ~~the last sentence of rule 104.14 (b) (a)(i).~~

#### (b) Continuing appointments

(i) A continuing appointment may be granted to staff members who have served for a continuous period of five years on fixed-term appointments and have shown that they meet the high standards of efficiency, competence and integrity established by the Charter, provided their continued service is required to meet the needs of the Organization.

(ii) Recommendations to grant a continuing appointment when a staff member has met the requirements of this rule may be made directly to the Secretary-General by agreement between the Office of Human Resources Management or the local Human Resources office and the department or office concerned. In the absence of such an agreement, the matter is submitted to a central review body for review under rule 104.14 (i).

(iii) As provided in rule 104.12(b)(iv), the duration of the period that may be served on fixed-term appointments may be adjusted by the executive heads of separately administered programmes, funds or subsidiary organs of the United Nations to whom the Secretary-General has delegated appointment and promotion authority.

(c) Indefinite appointment

The indefinite appointment may be granted to:

(i) ~~Persons specifically recruited for mission service who are not granted a fixed term or regular appointment~~

(ii) ~~Persons specifically recruited for service with the Office of the United Nations High Commissioner for Refugees or any other agency or office of the United Nations as may be designated by the Secretary-General.~~

The Indefinite appointments **granted before [effective date of the amendment]** does not carry any expectancy of conversion to any other type of appointment. The indefinite appointment shall have no specific expiration date and, except as provided in staff rule 106.2(b)(ii), shall be governed by the Staff Regulations and Staff Rules applicable to temporary appointments which are not for a fixed term.

Rule 104.14

Central review bodies

....  
(i) *Review*

(i) The central review bodies shall review the suitability for permanent appointment of staff members holding a probationary appointment to ensure that they have fully demonstrated their suitability as international civil servants and have shown that they meet the high standards of efficiency, competence and integrity established in the Charter of the United Nations, **in cases where no joint recommendation for conversion has been made to the Secretary-General under rule 104.13 (a)(ii).** The central review bodies may recommend conversion to permanent appointment, extension of the probationary period for one additional year or separation from service.

(ii) The central review bodies shall review recommendations to grant a continuing appointment in cases where **no joint recommendation for conversion has been made to the Secretary-General under rule 104.13 (b)(ii).** The central review bodies may recommend conversion to continuing appointment or separation from service.

(iii) [(ii) renumbered; no change in the text.]

....

Rule 105.2

Special leave

.....  
(b) A staff member, other than one recruited specifically for a mission, who has completed one year of satisfactory probationary service or who has a permanent **or continuing** appointment and who is called upon to serve in the armed forces of the State of which the staff member is a national, whether for training or active duty, may be granted special leave without pay for the duration of such military service, in accordance with the terms and conditions set forth in Appendix C to these Rules.  
.....

Rule 105.3

Home leave

.....  
(c) (i) Except in the case of staff members serving on probationary appointment, a staff member's first home leave shall fall due in the calendar year in which the staff member completes two years of qualifying service. A staff member appointed on a probationary basis shall not be entitled to the first home leave until he or she has been granted a permanent appointment or an extension of probationary period. If the Secretary-General considers that it will not be possible for **a central review body the Appointment and Promotion Board** to review the staff member's case within six months after completion of two years' service, he or she may be granted home leave subject to the other conditions of this rule.

Rule 106.2

Sick leave

.....  
(b) A staff member's maximum entitlement to sick leave shall be determined by the nature and duration of his or her appointment in accordance with the following provisions:

.....  
(iii) A staff member who holds a permanent, **continuing** or indefinite appointment, a fixed-term appointment for three years or who has completed three years of continuous service shall be granted sick leave of up to nine months on full salary and nine months on half salary in any period of four consecutive years.  
.....

Rule 109.1

Special Advisory Board, definition of termination

and criteria for preference in retention abolition of posts and reduction of staff

.....  
(c) **Criteria for preference in retention** ~~Abolition of posts and reduction of staff~~

(i) ~~Except as otherwise provided in subparagraph (ii) b below,~~ If the necessities of service require that the appointment of staff members be terminated as a result of abolition of post or reduction of staff, and subject to the availability of suitable posts in which their services can be effectively utilized, staff members with permanent appointments shall be retained in preference to those on all other types

of appointments, and staff members with probationary **or continuing** appointments shall be retained in preference to those on fixed-term or indefinite appointments provided that due regard shall be had in all cases to relative competence, to integrity and to length of service. Due regard shall also be had to nationality in the case of staff members with no more than five years of service and in the case of staff members who have changed their nationality within the preceding five years when the suitable posts available are subject to the principle of geographical distribution;

(ii) The provisions of subparagraphs (i) above ~~insofar as they relate to locally recruited staff members~~ shall be deemed to have been satisfied **in respect of** ~~if such~~ locally recruited staff members **when they** have received consideration for suitable posts available at their duty station;

(iii) Staff members specifically recruited for service with any programme, fund or subsidiary organ of the United Nations which enjoys a special status in matters of appointment under a resolution of the General Assembly or as a result of an agreement entered by the Secretary-General have no entitlement under this rule for consideration for posts outside the organ for which they were recruited.

#### Rule 109.2

##### Resignation

(b) Unless otherwise specified in their letters of appointment, three months' written notice of resignation shall be given by staff members having permanent **or continuing** appointments, and thirty days' written notice of resignation by those having a **probationary, fixed-term or indefinite** appointment. The Secretary-General, however, may accept resignation on shorter notice.

#### Rule 109.3

##### Notice of termination

(a) A staff member whose permanent **or continuing** appointment is to be terminated shall be given not less than three months' written notice of such termination. **The notice of termination shall state the specific grounds of termination.**

(b) A staff member whose **probationary, fixed-term or indefinite** appointment is to be terminated shall be given not less than thirty days' written notice of such termination or such written notice as may otherwise be stipulated in his or her letter of appointment.

#### Appendix C to the Staff Rules

##### Arrangements relating to military service

(c) Staff members who have completed one year of satisfactory probationary service or who have a permanent **or a continuing** appointment may, if called by a Member Government for military service, whether for training or active duty, be placed on special leave without pay for the duration of their required military service. Other staff members, if called for military service, shall be separated from the Secretariat according to the terms of their appointments.